25th September 1956]

Arrears of inter-State Sales Tax

*203 *Q.*—SRI N. K. PALANISAMY : Will the Hon. the Minister for Revenue be pleased to state— 9-10 a.m.

(*a*) the amount of arrears of sales tax due to Government on inter-State transactions during the years **1954, 1955** and **1956**; and

(*b*) the steps taken by the Government to recover them?

THE HON. SRI M. A. MANICKAVELU : (*a*) & (*b*) The Special Circle for assessing non-resident dealers, which was formed in May 1954, had to suspend its activities, as a result of the Supreme Court Judgment, dated 6th September 1955, holding that the States have no power to levy sales tax on inter-States' transactions. In view of the Sales Tax Laws Validation Act, 1956, validating the States' Laws Levying sales tax on inter-State transactions during the period from 1st April 1951 to 6th September 1955, the activities of the Special Circle have been resumed. Except in two cases, no final assessments had been made till 5th July 1956. The arrear position cannot, therefore, be stated now. With the additional staff recently sanctioned for the Special Circle, the work is expected to be pushed through quickly.

SRI N. K. PALANISAMY : May I know, Sir, whether the Government have spent more money on the staff and other things than what they expect to realize?

THE HON. SRI M. A. MANICKAVELU : I have not got the exact figures with me about the money spent on the staff, etc. But, I may inform the hon. Member that Government have collected up to 15th July 1956 Rs. 42,56,000 odd and the total estimated revenue under this head is Rs. 1,41,71,000 odd. I submit the money spent on the administration is not much.

Convictions for non-payment of sales tax

* 204 *Q.*—SRI N. K. PALANISAMY : Will the Hon. the Minister for Revenue be pleased to state the number of persons arrested and the number convicted for non-payment of sales tax during the year 1955?

THE HON. SRI M. A. MANICKAVELU : Number arrested 97. Number convicted 2,954.

SRI N. K. PALANISAMY : Sir, since the business men in the State are acting as the humble agents of the Government and simply collect the tax from the people and remit it to Government without putting the Government to any loss, will the Government consider the question of amending the Sales Tax Rules so that in future at least no business man would be harassed by arresting and putting him in jail?

THE HON. SRI M. A. MANICKAVELU : Now, there is no question of putting any defaulter in jail. That has been removed. The number mentioned as convicted in the answer mostly refers to fines.

[25th September 1956

SRI K. T. RAJU : விற்பனை வரி கொடுக்க முடியாமல் பெரிய அளவில் கைது செய்யப்பட்டு அநேகர் தண்டிக்கப்பட்டிருக்கிறார்கள். அப்படி தண்டிக்கப்பட்டிருப்பவர்களில் பெண்கள் யாராவது இருக்கின்றார்களா? அப்படி இருந்தால் எவ்வளவு பெண்கள் இருக்கின்றார்கள் ?

THE HON. SRI M. A. MANICKAVELU : I am not good at taking statistics about women, Sir. The hon. Member from Pudukkottai is very good at that. (Laughter.)

SRI S. RAMALINGAM : 97 பேர்கள் கைது செய்யப்பட்டார்கள் என்றும், இரண்டாயிரத்துக்கு அதிகமான பேர்கள் தண்டிக்கப்பட்டார்கள் என்றும் கனம் மந்திரி அவர்கள் பதில் சொன்னார். இந்த இரண்டாயிரத்துக்கு அதிகமான பேர்களில் எவ்வளவு பேர்கள் சிறைச்சாலைக்கு அனுப்பப்பட்டார்கள் என்பதைக் கேட்க ஆசைப்படுகிறேன்.

THE HON. SRI M. A. MANICKAVELU : It is very few, probably about 12 to 15. I do not know the exact number.

Levy of single-point sales tax

* 205 *Q.*—SRI M. NARAYANA KURUP : Will the Hon. the Minister for Revenue be pleased to state whether this Government have received any communication from the Union Government expressing the view that multi-point sales tax is unjust and recommending the adoption of single-point sales tax?

THE HON. SRI M. A. MANICKAVELU : The answer is in the negative, Sir.

SRI M. NARAYANA KURUP : News appeared that this Government have decided that eight articles should be taxed only at a single point. May I know whether it has been implemented and if not when it will be implemented?

THE HON. SRI M. A. MANICKAVELU : Yes, Sir. A decision has been taken and I think it will be implemented from the financial year.

SRI V. R. NAGARAJAN : What difference would it make in the revenue realized by the Government if single-point sales tax is levied on motor cars and refrigerators and such articles as were mentioned by my hon. Friend?

THE HON. SRI M. A. MANICKAVELU : I do not think there will be any large variation in the income because the rate now proposed is higher than in the case of the multi-point tax. The rate of tax will be so worked out that there will be only a slight difference.

SRI S. RAMALINGAM : சமீபகாலமாக உணவு பொருள்களின் விலைவாசிகள் பெரிய அளவில் ஏறிக்கொண்டு போகிறதை உத்தேசித்து அரிசி போன்ற முக்கியமான உணவு பொருள்களுக்கு மட்டிலாவது ஒரு-முனை விற்பனை வரியை விதிக்க சர்க்கார் யோசிப்பார்களா என்பதை அறிய விரும்புகிறேன்.

THE HON. SRI M. A. MANICKAVELU : ஒரு-முனை விற்பனை வரி விதிப்பதைப்பற்றி சர்க்கார் யோசித்து சில வஸ்துக்களின்மீது ஒரு-முனை வரி விதிப்பது என்று நிர்ணயம் செய்திருக்கிறார்கள். இன்னும் அம்மாதிரி எந்தெந்த வஸ்துக்களுக்கு ஒரு-முனை விற்பனை வரி விதிக்கப்படவேண்டும்